GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Debt Relief - Scheme for Waiver of Loans to Handloom and Powerloom Sector of the State of Andhra Pradesh - Operating guidelines to the implementing agencies – issued.

INDUSTRIES AND COMMERCE (PROG.II) DEPARTMENT

G.O.MS.No.01 Dated:01.01.2016.

Read the following:-

1. G.O.Ms.No.118 Industries & Commerce (Prog.II) Department dt.01.12.2015.
2. From the Commissioner of Handlooms & Textiles, A.P., Hyderabad, Lr. R.C.No.8566/2015-W, Dt.01.12.2015.

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ORDER:

In the G.O. 1st read above the Government have approved the "Scheme for Waiver of Loans to Handloom and Powerloom Sector" in the State, so as to redeem the debt of Weavers, based on the recommendations of the Expert Committee headed by Sri P.Kotaiah and the report of the Commissioner of Handlooms and Textiles, A.P., Hyderabad, subject to fine tuning the guidelines for implementing the Scheme.

2. In the reference 2nd read above, the Commissioner of Handlooms and Textiles, A.P., Hyderabad has furnished the draft guidelines for implementation of the scheme.

3. The Government, after careful examination, hereby approve the guidelines as appended to this order for implementation of "Scheme for Waiver of Loans to Handloom and Powerloom Sector" issued in the reference 1st read above.

4. The Commissioner of Handlooms and Textiles, A.P., Hyderabad shall take necessary further action, accordingly.

5. This order issues with the concurrence of Finance (FMU. Rev-IC) Dept. vide their U.O.No.33389/255/FMU.Rev-IC/A2/2015, Dt.29.12.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

NARESH PENUMAKA
E.O. SECRETARY TO GOVERNMENT

To
The Commissioner of Handlooms and Textiles, A.P., Hyderabad.
All the Departments of Secretariat
All Heads of Department
The Accountant General, A.P. Hyderabad
All the District Collectors thro' CH&T, A.P., Hyderabad.
All District Treasury Officers thro' CH&T, A.P., Hyderabad.
The pay and Account Officer, Hyderabad
The Director of Treasuries & Accounts, A.P. Hyderabad.
The Convenor, State Level Bankers Committee, Andhra Bank Head Quarters, Saifabad, Hyderabad.
The Chief General Manager, RBI, Regional Office, Hyderabad
The Chief General Manager, NABARD, Hyderabad.
Managing Director, A.P. State Coop. Bank, Hyderabad.
All Public Sector Banks thro' CH&T, A.P., Hyderabad.
All Private Sector Banks thro' CH&T, A.P., Hyderabad.
All Regional Rural Banks thro' CH&T, A.P., Hyderabad.
Copy to: The P.S. to Chief Secretary to Government of Andhra Pradesh.
The P.S. to Hon'ble Chief Minister of Andhra Pradesh.
The OSD to Hon'ble Minister of Handlooms, Andhra Pradesh
The P.S. to Special Chief Secretary, Planning Department.
The P.S. to Principal Secretary/Secretary to Government, Finance Department/
The P.S. to Secretary &CIP, Ind.& Com. Department..
The P.S. to E.O. Secretary to Government, Ind. & Com. Department.
SF/SCs

//FORWARDED::BY ORDER//

SECTION OFFICER

Annexure

(Annexure to G.O.Ms.No.01, Ind. & Com.(Prog.II) Dept., Dt.01.01.2016)

Guidelines for Weavers' Debt Redemption and Capital Infusion

Introduction

The Government of Andhra Pradesh has set up an Expert Committee with a view to analyze the debt accrued by the farmers, Self-help Groups, Weavers, etc., to the financial institutions, commercial banks, RRBs and cooperative banks in the State of Andhra Pradesh, and its impact on their livelihoods, and suggested a number of measures for increased livelihood opportunities and improved prosperity.

The committee headed by Sri P. Kotaiah has recommended, among other measures, redemption of debt outstanding on 31.03.2014, in respect of Handloom and Power loom Sector, with specific focus on:-

1. Weavers' Individual Loans
2. Weavers' Groups Loans
3. Loans of Power loom Units below 5 HP Power connection and availing 50% power subsidy scheme.

Scope and Coverage

a. The scheme applies to the loans taken for weaving purpose extended by Scheduled Commercial Banks/Cooperative banks, Urban Coop. Banks and RRBs, through their branches/Institutions in the State of Andhra Pradesh.

b. The loans disbursed to Individual Weavers and Weaver Groups for weaving purposes that were outstanding on 31.03.2014 are eligible for coverage under the scheme.

c. The following categories of borrowers are eligible under the scheme subject to fulfilment of the conditions prescribed in para-4 below:
   i. Individual Weavers who have directly availed loans for weaving purposes;
   ii. Weaver Groups having availed loans for weaving purposes on pro-rata basis as per the amount drawn by each member, the aggregate amount subject to the overall ceiling;
   iii. Credit extended to holders of Weaver Credit Cards;
   iv. Weavers having Power Loom Units below 5 HP capacity and who are availing the existing 50% Power subsidy scheme.

Eligibility Criteria

i. The total amount of loan for all eligible purposes from all banks taken together shall not exceed the ceiling fixed for individual.

ii. The total amount eligible for redemption of loans taken for weaving purpose shall be limited to the ceiling prescribed, which is Rupees one lakh (Rs. 1 lakh) for individual weaver and power-loom unit and Rupees five lakhs (Rs. 5.00 lakhs) for weaver groups, subject to condition that within the Weaver Groups, the eligibility for redemption of the loan outstanding per individual will be limited to Rupees one lakh only.

iii. If any member of Weaver Group availed benefit of debt redemption for the same purpose as a member of Group of DWACRA / MEPMA, SHG, such member shall not be eligible under this scheme. The purpose is to avoid dual benefit to the same person under two schemes of the government.

Implementation

i) A District Level Committee is being established for planning, implementation and monitoring of the scheme under the chairmanship of the District Collector. Other members of the Committee will include the following:

	Name of the Member	Designation
01	District Collector	Chairman
02	Joint Collector-II	Co-Chairman
03	PD, DRDA	Member

04	Lead District Manager (LDM)	Member
05	Deputy/Assistant Manager, NABARD	Member
06	Asst. Director (H & T)	Member/Convener

ii) The Assistant Director (H&T), shall obtain the list of potential beneficiaries from the Banks, and convene the meeting of the District Level Committee, with the prior approval of the District Collector and in coordination with the LDM of the concerned district.

iii) The District Level Committee shall scrutinize the list with reference to the genuineness of the claims and if found in order, approve the list and recommend redemption of the debt. Based on the recommendation of the District Committee, the Commissioner of Handlooms and Textiles will release funds directly to the Banks concerned from a central account.

iv) All payments will be routed through the bank where the debt is outstanding directly to the account of the beneficiary. In case of the groups, the payment will be made to the group account directly, the members of the group in turn will apportion the money in the ratio appropriate.

State Level Committee

i. A State Level Committee is being established with the following members for the explicit purpose of monitoring the scheme and to redress grievances, as and when received.

Sl. No	***Name of the Member***	***Designation***
01	*E.O. Secretary to Government (Ind.&.Com)*	*Chairman*
02	*Commissioner of Handlooms & Textiles*	*Co-chairman/Convener*
03	*Joint Director (H&T)*	*Member/ Convener*
04	*CMD, NABARD or his nominee*	*Member*
05	*Member Secretary, SLBC*	*Member*
06	*Managing Director, APCOB*	*Member*

Obligations of the Lending Institutions

i) Banks have collected the information in the format furnished by the Government, viz., Aadhar Number, Weavers Credit Card, ID card number etc., and enter the details in their system and ensure that the benefit goes to Individual weavers and Weavers Groups within the overall ceiling.

ii) Every Lending institution shall be responsible for the correctness and integrity of the list of Individual Handloom Weavers / Power loom Weavers and Weaver Groups eligible under this scheme and the particulars of the debt redemption in respect of each weaver. Every document maintained, every list prepared and every certificate issued by a lending institution for the purposes of this scheme shall bear the signature of the authorized officer of the lending institution, his/her name together with the Employee Code Number.

iii) Any weaver who is aggrieved on the ground that his name has not been included in the list of eligible members referred to above or on the ground that the waiver granted to him has been calculated wrongly, may make a representation through the branch from which he received the loan or directly to the Grievance Redressing Officer of the lending institution concerned and every such representation shall be disposed of within 30 days of receipt thereof.

iv) If a weaver borrowed from more than one bank, the waiver amount shall be passed on Pro-rata Basis.

Data Maintenance

Banks are required to maintain additional data as under:

i. Detailed borrower-wise data along with additional information may be maintained by banks at the branch level as per the formats given. This data is required to be kept ready for inspection/audit and reference, as and when required. The branch wise data

in summary form may also be maintained at the Regional Office/Zonal Office/Controlling Office.

ii. The above information may be maintained for weavers separately.

iii. Data should also be maintained in respect of SC/ST/Minorities/Women beneficiaries separately.

iv. Banks are also required to maintain District-wise, Village-wise data relating to the amounts redeemed in the respective Controlling Offices/and forward a copy of the same to the SLBC Convener of the State.

v. The data of the loan redeemed and reporting returns shall also be maintained in soft form.

Audit

The books of accounts of every lending institution that has granted debt redemption under this scheme (including the books of accounts maintained at the branches) shall be subject to audit in accordance with the standard procedure prescribed by the respective banks.

Fresh Finance

The weavers whose loans are redeemed under the scheme will be eligible for fresh finance from the lending institutions, provided, the amount waived is equal to the loan outstanding.

Time frame for Implementation

Sl. No.	Particulars	Time frame
1.	Approval of the District Level Committee and submission of list of beneficiaries together with the respective claim amount	Within 7 days after scrutiny by the Bankers and Handlooms & Textiles Department Officers
2.	Transfer of Money to the Beneficiary Account	Within 7 days after scrutiny by the DLC
3.	Noting of the details of benefit given under the scheme in the Loans Pass Books or weavers credit cards	The day on which the benefit has been released to individual weavers

Interpretation and Power to Resolve Differences

i) If any doubt arises on the interpretation of any paragraph of this scheme or any instructions issued there under, the State Government shall resolve the doubt and the decision of the State Government shall be final.

ii) If any difficulty arises in giving effect to the provisions of the scheme or any instructions issued there under, the State Government will take up measures which appear to it to be necessary or expedient for the purposes of removing the difficulty.

Public Information

i) A copy of this scheme in English and Telugu Languages shall be displayed in each branch of every lending institution covered under this scheme.

ii) A copy of this scheme will be available on the web sites of the State Government and SLBC.

NARESH PENUMAKA
E.O. SECRETARY TO GOVERNMENT